GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1601
ANSWERED ON:23.08.2007
SUBSIDIZED DIESEL FOR TRADITIONAL FISHING CRAFT
Manoj Dr. K.S.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has stopped providing subsidized kerosene oil for the use of traditional fishermen in their outboard engines;

(b) if so, the reasons therefor;

(c) whether the Government is contemplating to provide subsidized diesel to the traditional fishing crafts which are dieselized in view of the quota cut and scarcity of kerosene oil;

(d) if so, the details thereof;

(e) whether the State of Kerala has submitted any proposal for the subsidy for diesel used by traditional fishing crafts; and

(f) if so, the details thereof;

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a)&(b): As per clause 3 of Kerosene (Restriction on Use and Fixation of Ceiling Price) Order, 1993, no person shall use kerosene supplied under the public distribution system for any purpose other than cooking and illumination. However, the Central or State Government may by order permit any person to use kerosene for such other purpose as it may specify in that order. Some State Governments have permitted use of subsidized kerosene for use by fishermen.

(c)to(f): At present, there is no such proposal under consideration for providing subsidized diesel for traditional fishing crafts which are dieselized. It may be added that diesel is already being sold across the country at price lower than international price.Customs Duty on Diesel has been reduced to 7.5% from 10% with effect from 14.6.2006. Price of diesel was reduced on 30.11.2006 and again on 16.2.2007. The ad-valorem excise duty component on diesel has been reduced from 8% to 6% in the Union Budget 2007-08.